

Madam Speaker, I rise in strong support of the Federal Housing Administration Reform Act of 2010 (H.R. 5072). This legislation will help ensure the availability of affordable home loans while safeguarding the interests of the American taxpayer.

The Federal Housing Administration (FHA) has played a crucial role in stabilizing the nation's housing market during the current recession. Since the financial crisis and credit crisis that followed, nearly 40 million qualified Americans became homeowners and arne insurance through the FHA. The FHA was critical to keeping mortgage loans flowing to credit-worthy home buyers during the foreclosure crisis. As private lenders fled the housing market, the insurance provided by the FHA helped prevent the housing decline from becoming even more severe.

The FHA Reform Act of 2010 will strengthen the FHA loan insurance program and help keep credit available and affordable to responsible homebuyers. Over the last year, the FHA implemented a number of policy changes aimed at curbing risk and increasing its capital reserves. This legislation builds on these reforms and helps reduce risk by increasing net worth requirements for FHA loan originators and providing the FHA with authority to prevent fraudulent lending. In addition, this bill increases accountability by requiring the FHA to modernize its reporting systems to better manage risk and to provide transparent data to the public and Congress.

This legislation helps restore fiscal accountability by reducing our deficit by \$2.5 billion over five years.

The Federal Housing Administration Reform Act of 2010 makes essential reforms to strengthen the financial footing of the Federal Housing Administration and stabilize the mortgage market. I urge my colleagues to support this bill.